

Shapes/Arch Holdings, LLC
Projected Profit & Loss Statement

	<u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Total</u>
Net Sales	\$ 21,969,809	\$ 21,206,640	\$ 18,437,429	\$ 20,583,204	\$ 17,159,993	\$ 12,002,945	\$ 111,360,021
COGS							
Material Costs	12,564,332	11,644,784	10,303,222	11,396,144	9,429,016	6,756,151	62,093,648
Mfg Expenses	5,740,721	5,803,760	5,422,246	5,868,988	5,444,510	4,256,832	32,537,057
	<u>18,305,053</u>	<u>17,448,544</u>	<u>15,725,468</u>	<u>17,265,132</u>	<u>14,873,526</u>	<u>11,012,982</u>	<u>94,630,705</u>
Gross Profit	\$ 3,664,756	\$ 3,758,096	\$ 2,711,961	\$ 3,318,073	\$ 2,286,467	\$ 989,963	\$ 16,729,315
Operating Expenses							
Delivery	1,073,065	1,038,784	930,640	1,018,750	886,073	661,167	5,608,479
Selling	841,006	833,078	765,398	805,738	792,006	652,098	4,689,324
General & Admin	1,497,221	1,463,166	1,443,845	1,494,021	1,414,940	1,455,561	8,768,755
	<u>3,411,292</u>	<u>3,335,028</u>	<u>3,139,884</u>	<u>3,318,509</u>	<u>3,093,019</u>	<u>2,768,827</u>	<u>19,066,559</u>
Operating Income	\$ 253,464	\$ 423,068	\$ (427,923)	\$ (436)	\$ (806,552)	\$ (1,778,864)	\$ (2,337,243)
Interest Expense	478,637	454,760	459,079	431,233	428,926	425,821	2,678,457
Other Income	27,000	27,000	27,000	27,000	27,000	27,000	162,000
Net Income	\$ (198,173)	\$ (4,692)	\$ (860,002)	\$ (404,670)	\$ (1,208,478)	\$ (2,177,686)	\$ (4,853,701)
EBITDA	\$ 1,046,458	\$ 1,216,061	\$ 365,069	\$ 792,555	\$ (13,562)	\$ (987,875)	\$ 2,418,706

Shapes/Arch Holdings, LLC
Projected Monthly Balance Sheet

	Opening 7/1/08	7/31/08	8/31/08	9/30/08	10/31/08	11/30/08	12/31/08
Assets							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	37,686,000	33,118,663	32,562,682	30,758,883	30,366,639	29,132,476	23,247,344
Inventory	43,222,000	41,162,342	42,679,042	42,265,792	42,043,122	43,511,533	45,078,511
Prepays	1,604,000	1,301,000	1,532,000	1,304,000	1,231,000	1,357,000	998,000
Current Assets	\$ 82,512,000	\$ 75,582,005	\$ 76,773,723	\$ 74,328,675	\$ 73,640,760	\$ 74,001,010	\$ 69,323,855
Net PPE	66,205,000	65,995,000	65,785,000	65,575,000	65,365,000	65,155,000	64,945,000
Other Asset	-	-	-	-	-	-	-
Total Assets	\$ 148,717,000	\$ 141,577,005	\$ 142,558,723	\$ 139,903,675	\$ 139,005,760	\$ 139,156,010	\$ 134,268,855
Liabilities							
Accounts Payable	\$ 336,000	\$ 1,603,643	\$ 2,469,463	\$ 3,113,021	\$ 4,150,309	\$ 4,519,893	\$ 3,774,863
Accrued Expenses	6,241,000	5,848,000	5,121,000	5,326,000	7,069,000	5,882,000	5,317,000
Current Liabilities	\$ 6,577,000	\$ 7,451,643	\$ 7,590,463	\$ 8,439,021	\$ 11,219,309	\$ 10,401,893	\$ 9,091,863
Revolver	47,057,000	39,240,536	40,088,125	37,444,521	34,170,988	36,347,132	34,947,693
Term Loan	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Members Equity	70,083,000	69,884,827	69,880,135	69,020,133	68,615,463	67,406,985	65,229,299
Total Liabilities & Equity	\$ 148,717,000	\$ 141,577,005	\$ 142,558,723	\$ 139,903,675	\$ 139,005,760	\$ 139,156,010	\$ 134,268,855
Memo: Revolver Availability		2,393,851	1,820,169	2,898,037	5,684,478	3,048,319	360,451

Shapes/Arch Holdings, LLC
Projected Monthly Cash Flow Statement

	<u>7/31/08</u>	<u>8/31/08</u>	<u>9/30/08</u>	<u>10/31/08</u>	<u>11/30/08</u>	<u>12/31/08</u>	<u>Total</u>
Net Income/(Loss)	\$ (198,173)	\$ (4,692)	\$ (860,002)	\$ (404,670)	\$ (1,208,478)	\$ (2,177,686)	(4,853,701)
Depreciation/Amortization	765,994	765,994	765,992	765,991	765,990	763,989	4,593,950
A/R Reserve	-	-	-	-	-	-	-
Accounts Receivable	4,567,337	555,982	1,803,799	392,244	1,234,162	5,885,132	14,438,656
Inventory	2,059,658	(1,516,700)	413,250	222,670	(1,468,412)	(1,566,978)	(1,856,511)
Prepays	303,000	(231,000)	228,000	73,000	(126,000)	359,000	606,000
Accounts Payable	1,267,643	865,820	643,558	1,037,288	369,583	(745,030)	3,438,863
Accrued Expenses	(393,000)	(727,000)	205,000	1,743,000	(1,187,000)	(565,000)	(924,000)
Cash from Operations	8,372,458	(291,596)	3,199,596	3,829,524	(1,620,154)	1,953,427	1,953,427
Capital Expenditures	(555,994)	(555,994)	(555,992)	(555,991)	(555,990)	(553,989)	(3,333,950)
Revolver Borrowing	(7,816,464)	847,590	(2,643,604)	(3,273,533)	2,176,144	(1,399,438)	(12,109,307)
Amortization Term Loan	-	-	-	-	-	-	-
Net Cash Available	(0)	0	0	(0)	0	0	0
Beginning Cash	-	(0)	(0)	0	(0)	0	-
Ending Cash	(0)	(0)	0	(0)	0	0	0